

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2770

ANSWERED ON:10.03.2003

MSP FOR CROPS

KAMBALAPADU E. KRISHNAMURTHY;PRABODH PANDA

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the farmers do not get the Minimum Support Price (MSP) of their crops particularly in Paddy and Jute in many States in the country;
- (b) if so, the reasons therefor and the reaction of the Government in this regard; and
- (c) the steps taken by the Government to provide Minimum Support Price to the farmers?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a)to(c): The Government announces each season Minimum Support Prices (MSPs) of major agricultural commodities and organizes purchase operation through public and cooperative agencies such as Food Corporation of India (F.C.I – paddy, wheat and coarse cereals), Jute Corporation of India (J.C.I.- Jute), Cotton Corporation of India (C.C.I.-Cotton), National Agricultural Cooperative Marketing Federation (NAFED-pulses and oilseeds) and Tobacco Board (Tobacco), besides other agencies designated by the State Governments. The designated Central Nodal Agencies are required to intervene in the market for undertaking purchase operations in case, the wholesale prices fall below the MSPs fixed by the Government.

No report of distress sale of paddy conforming to Fair Average Quality (FAQ) norms has been received during the current Kharif Marketing Season (KMS) 2002-03. Sufficient number of purchase centres have been opened to extend benefits of MSP to the farmers and wide publicity is given. The FCI has taken up procurement operations for paddy in some of the non-traditional States like Orissa and Bihar in the current KMS 2002-03. With a view to ensuring that the benefits of MSP are passed on to the farmers by millers, the Government has issued instructions to the FCI to accept delivery of levy rice in respect of areas where the State Government is having effective MSP operations.

No complaint to the effect that farmers are not getting the Minimum Support Price of their crop of raw jute has been received. The Jute Corporation of India (JCI) is the nodal agency for undertaking the MSP operations. It operates in the country through its 171 purchase centres, spread all over the major jute/mesta growing States. In addition, the MSP operation is also conducted by JCI in association with 68 Cooperative Societies in major jute growing States. The JCI during the current jute year procured around 12.90 lakh bales of 180kg. of raw jute under MSP operation till the end of February, 2003.